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Message Text

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46
ACTION TRSE-00

INFO OCT-01 EUR-12 NEA-06 ISO-00 EB-07 OMB-01 CEA-01

CIEP-01 STR-01 SS-15 NSC-05 SP-02 CIAE-00 INR-05

NSAE-00 PA-01 RSC-01 USIA-06 PRS-01 /066 W
---------- 091615
R 051413Z DEC 74
FM AMEMBASSY BUDAPEST
TO SECSTATE WASHDC 2360
DEPT OF COMMERCE WASHDC
INFO AMEMBASSY BEIRUT
AMEMBASSY BELGRADE
AMEMBASSY BUCHAREST
AMEMBASSY KUWAIT
AMEMBASSY MOSCOW
AMCONSUL MUNICH
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY VIENNA
AMEMBASSY WARSAW

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E.O. 11652: N/A
TAGS: EFIN, HU
SUBJECT: KUWAITI LOAN TO HUNGARY

REF: BUDAPEST 3288 (NOTAL)

DEPARTMENT PASS TREASURY

1. HUNGARIAN-JUWAITI $40 MILLION LOAN AGREEMENT
OFFICIALLY SIGNED IN KUWAIT DEC 4. TERMS OF AGREEMENT
CALL FOR KUWAIT INTERNATIONAL INVESTMENT COMPANY TO ISSUE
$40 MILLION WORTH OF BONDS CARRYING AN INTEREST RATE OF
10 1/2 PERCENT AND REDEEMABLE IN EIGHT YEARS. HUNGARIANS
WILL BEGIN REPAYMENT IN 1978 WHICH WILL BE EFFECTED IN
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FIVE EQUAL ANNUAL INSTALLMENTS.

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2. BONDS ARE BEING TOTALLY SUBSCRIBED TO BY KUWAITI INTERESTS, ACCORDING TO NATIONAL BANK OFFICIAL CONTACTED BY EMB. OFFICIAL STATED THAT BOND ISSUE IS ESSENTIALLY $40 MILLION KUWAITI CREDIT TO HUNGARIANS. REQUEST MADE TO LUXEMBOURG STOCK EXCHANGE TO QUOTE BONDS, A MERE FORMALITY ACCORDING TO BANK OFFICIAL "IN ORDER THAT ONE CAN GET A QUOTATION ON THESE BONDS SOMEWHERE." HUNGARY PLANS TO USE FUNDS TO FINANCE GROWTH OF HARD CURRENCY EARNING EXPORTERS.

3. HUNGARIAN NATIONAL BANK APPARENTLY ALSO CONTINUING EFFORTS TO TAP U.S. MONEY MARKET AS SOURCE OF FUNDS. ACCORDING TO VISITING U.S. BANKERS, BANK VP FEKETE REACHED AGREEMENT ON $50 - $100 MILLION CREDIT WITH LEADING NEW YORK BANKS DURING RECENT U.S. VISIT. THE DETAILS WILL BE MADE PUBLIC IN NEAR FUTURE.
PEDERSEN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, DEVELOPMENT CREDIT, INVESTMENT LOANS, BONDS (SECURITIES), INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 05 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1974/newtext/t19741259/aaaabyfz.tel
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Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Handling Restrictions: n/a
Reference: BUDAPEST 3288 (NOTAL)
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Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 26 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 MAR 2002 by shawdg>; APPROVED <28 MAY 2002 by golinofr>
Review Markings:

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Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: KUWAITI LOAN TO HUNGARY
TAGS: EFIN, HU, KU
To: STATE COM
Type: TE
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